



BSR STARS

Innovation in the Baltic Sea Region

The Baltic Sea Region Innovation Monitor 2012

Read the full report at
[http://www.bsrstars.se/project/
bsr-innovation-monitor-2012/](http://www.bsrstars.se/project/bsr-innovation-monitor-2012/)



What is the Baltic Sea Region Innovation Monitor 2012?

The Baltic Sea Region (BSR) Innovation Monitor 2012 has been compiled by FORA/DBA on behalf of the StarDust project, which is a part of the Flagship BSR Stars in the EU Strategy for the Baltic Sea Region

The BSR Innovation Monitor 2012 is

- A strategic tool that provides policymakers in the ten countries with a fact-based foundation for monitoring (and improving) the policymaking on innovation in the Baltic Sea Region
- An indicator-based model for benchmarking innovative capacity of the BSR and individual countries
- Focus on the micro-level of the business environment that affects innovation performance of countries

Benchmarking innovation capacity in the Baltic Sea Region

The BSR Innovation Monitor 2012 presents the current status as well as trends in *innovation performance* and *framework conditions for innovation* in the Baltic Sea Region (BSR) and compares these to other global regions. BSR is benchmarked as an entire region but also highlights differences within the BSR.

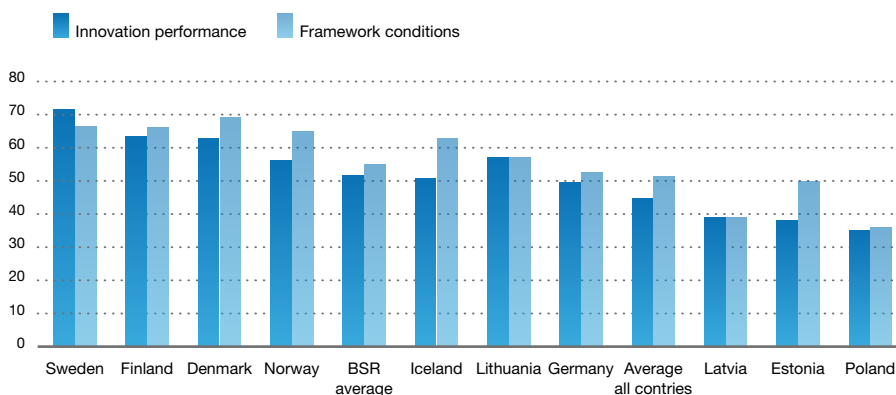
The BSR Innovation Monitor 2012

- Rates innovation across 36 countries (OECD member countries plus Latvia and Lithuania)
- Consists of 134 indicators on four overall drivers of innovation (human resources, knowledge creation, ICT and entrepreneurship)
- Highlights areas of innovation policy where the BSR countries could improve their framework conditions for innovation.

Key findings

Innovation performance:

- The overall innovation performance of the BSR is strong, and since 2006 the BSR is the only region which has seen an increasing innovation performance.
- The BSR North-West (Iceland, Norway, Sweden, Denmark, Finland and Germany) is ranked as the most innovative region among all of the benchmarked regions outperforming the top-performing English-speaking countries (the US, the UK and Canada) by some margin.
- The BSR South-East (Estonia, Latvia, Lithuania and Poland) is ranked below the top-two regions.



Framework conditions for innovation:

- The BSR is lagging behind the US, UK and Canada on overall framework conditions for innovation.
- Framework conditions have improved in BSR SE, but there is still room for improvement.
- BSR NW trails the US, the UK and Canada in three of the four drivers of innovation (knowledge creation, human resources and entrepreneurship), but holds the best framework conditions for ICT. Human resources and ICT are the least challenging areas for BSR SE while framework conditions for entrepreneurship and knowledge creation are a challenge.

For in-depth analysis of the BSR as a region and of the individual countries, see:

[website]

Policy recommendations

The analysis identifies, a number of common challenges for the BSR, that call for common solutions.

On a strategic level it is proposed to:

- [Develop a BSR \(macro-regional\) Innovation Strategy for Smart Specialisation](#)

In the upcoming EU programming period, the submission of regional (or national) innovation strategies for Smart Specialisation is an ex ante condition for the use of structural funds. In these strategies, regions/countries are asked to prioritize areas of specialised competence where Research, Development & Innovation (RDI) funding will be focused.

On an operational level, much can be learned from countries within the BSR. Therefore it is proposed to:

- [Pursue peer-learning activities](#)

Several countries have initiated programmes that are focused on similar policy objectives yet use different operational approaches. A coordinated effort to learn from best practise and avoid possible traps in the implementation of different programmes could foster a more efficient implementation of initiatives. Based on the results of the BSR Innovation Monitor 2012 and the peer reviews, four themes of common challenge are recommended for further peer learning activities:

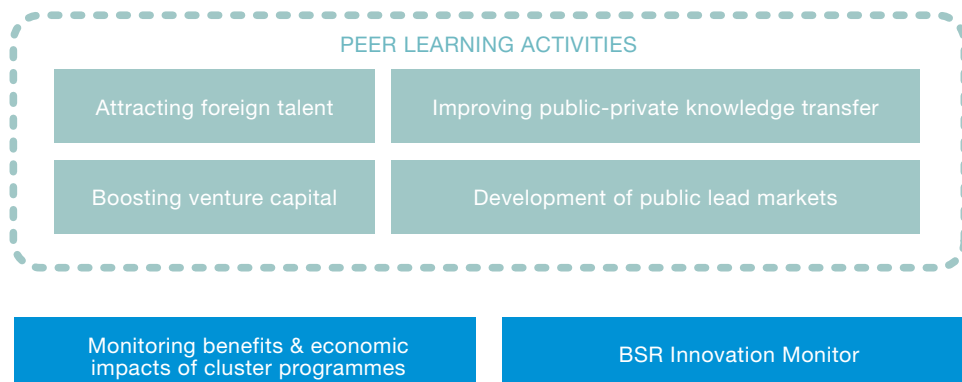
- 1) [Attracting foreign talent](#)
- 2) [Boosting venture capital](#)
- 3) [Improving public-private knowledge transfer](#)
- 4) [Development of public lead markets](#)

Furthermore, at the monitoring level it is recommended to:

- [Use and further develop the BSR Innovation Monitor as a tool for the repeated benchmarking of innovation performance and framework conditions across the BSR](#)

The BSR Innovation Monitor provides complimentary information for the EU Innovation Scoreboard – and complements data with qualitative information on strategies and policy approaches. It could be further developed to reflect the most recent as well as future trends in innovation. Finally, it is recommended to explore the possibilities of monitoring the benefits and economic impacts of clusters. Peer reviews have revealed the need for further evidence (for policy makers and for companies) that the “cluster instrument” works.

BSR Innovation Strategy for Smart Specialisation



Baltic Sea Region Innovation Monitor 2012 is compiled by FORA / Danish Business Authority as a part of the StarDust project – an initiative within the BSR Stars programme.

The Baltic Sea Region Innovation Monitor 2012 can be downloaded from:
<http://www.bsrstars.se/project/bsr-innovation-monitor-2012/>



Langelinie Alle 17, DK-2100 Copenhagen, Denmark. +45 3529 1000, erst@erst.dk

www.bsrstars.se/stardust

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